

POWER SECTOR NET-ZERO STANDARD

One-page summary | First Public Consultation Draft (October 2025)

The Power Sector Standard is aligned with the first consultation draft of the [SBTi Corporate Net-Zero Standard V2](#), which is the starting point for setting science-based targets. All companies shall calculate their GHG inventory, apply general cross-sector criteria and assess SBTi Sector Standards' applicability. Companies will therefore have to use both Standards in conjunction:

SBTi Power Sector Standard

For all activities and GHG emissions in scope of the Power Sector Standard

SBTi Corporate Net-Zero Standard V2

For GHG emissions not covered by SBTi Sector Standards and for cross-sector criteria

Scope and applicability



Power generation

Scope 1 CO₂ emissions from power generation

Transmission & distribution

Scope 1 SF₆ emissions
Scope 2 CO₂ emissions (Losses in the network)

Storage

Scope 2 CO₂ emissions (Losses in storage)

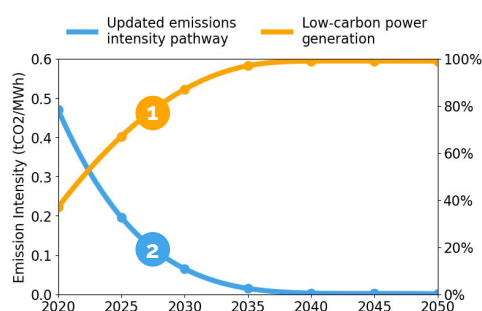
Trade and retail

Scope 3 Cat. 3 CO₂ emissions (Activity D - generation of purchased electricity sold to end users)

Companies shall follow all applicable criteria within the Power Sector Standard if:

- **Emissions** from activities in scope combined are **≥ 5% of the company's overall GHG inventory** or **≥ 10,000 tCO₂e**, or
- **Annual revenues** from sales of electricity generated are **≥ 5% of total annual revenue**.

Updated sector pathway



- 1 Low-carbon generation share, reaching 99% by 2040.** Used as option for near-term target setting for power generation activities, and for near- and long-term target setting for electricity purchased and sold.
- 2 Emissions intensity, reaching 0.001 tCO₂/MWh by 2050.** It is a mandatory target for the net-zero year for all companies with power generation.

The power sector pathway is based on **IEA NZE and IPCC C1 scenarios**, derived through a [comprehensive selection process](#). Trajectories for key [metrics and targets](#) are drawn from the pathway.

Key components under consultation



A **flexible approach** to set **near-term targets** for power generation activities, allowing companies to choose between **emissions intensity** and **low-carbon generation share** targets ([PS-C3](#)).



Proposed criteria requiring **phase-out plan for unabated fossil fuel generation assets** by geography (OECD and non-OECD) and fuel type, with **exceptions for non-baseload natural gas capacity** ([PS-C4](#)).



Commitment to source all **biomass used for power generation from sustainable sources**, allowing for interoperability with third-party biomass certification schemes to reduce administrative burden ([PS-C5](#)).



For companies with electricity storage activities, **required or recommended targets to limit electricity loss** until 2035 ([PS-C6](#)).



For companies with transmission and distribution activities, a commitment to established **best practices for SF₆ mitigation** ([PS-C6](#)) and maintenance of **electricity loss targets** below benchmark values ([PS-C7](#)).



For companies with electricity trade and retail activities, targets to increase the **share of electricity from low-carbon sources** that is purchased and sold to end users ([PS-C8](#)).